

## Executive Board meeting

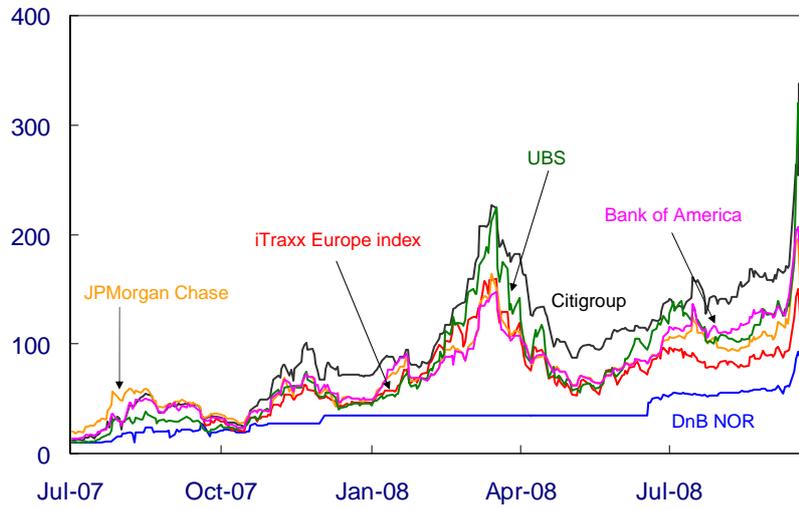
24 September 2008

## Financial incidents

- **Bear Stearns**, 17 March
- **Roskilde Bank**, 24 August
- **Fannie Mae and Freddie Mac**, 7 September
- **Merrill Lynch**, 14 September
- **Lehman Brothers**, 14 September
- **AIG**, 17 September
- **HBOS**, 17 September

### CDS prices for selected banks

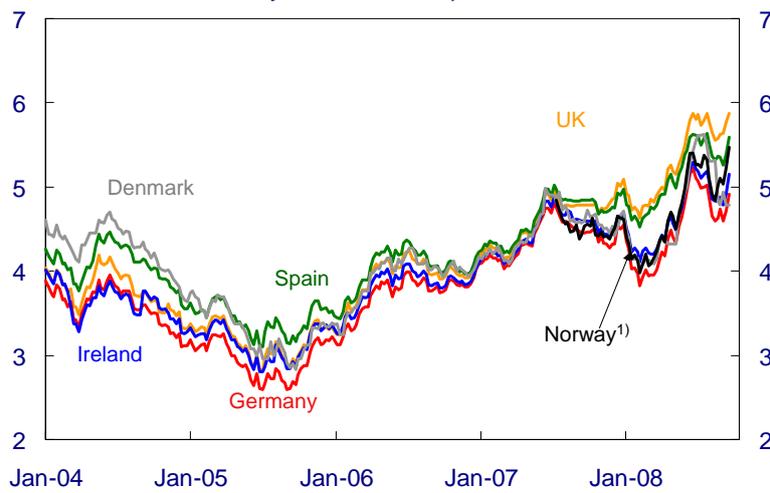
Basis points. 2 July 2007 – 22 September 2008



Source: Bloomberg

### Effective yields on covered bonds

5-7 years average term to maturity. Percentage points  
5 January 2004 – 19 September 2008

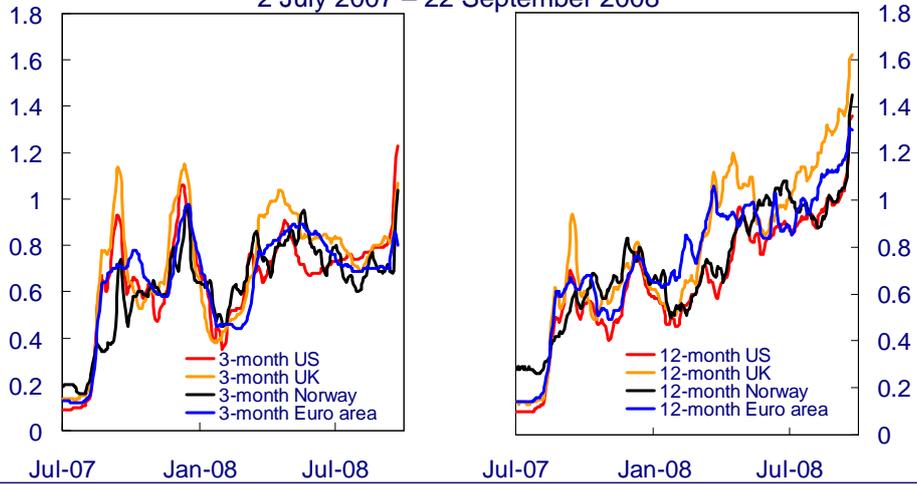


<sup>1)</sup> The regulation relating to covered bonds entered into force on 01.06.07

Sources: Bloomberg and Reuters EcoWin

### Difference between money market rates and expected key rates<sup>1)</sup>

Percentage points. 5-day moving average  
2 July 2007 – 22 September 2008



<sup>1)</sup> The expected key rate is measured by the Overnight Indexed Swap (OIS). For Norway, the estimates are based on key policy rate expectations in the market.

Sources: Bloomberg, Thomson Reuters and Norges Bank

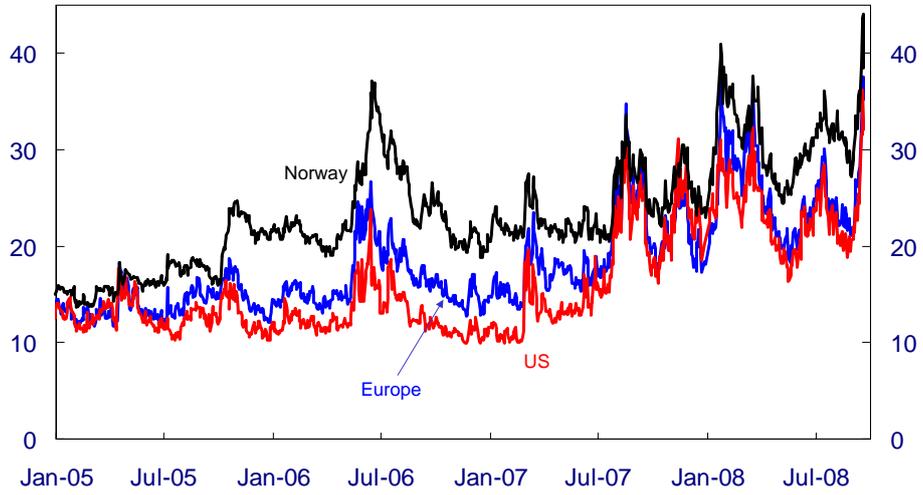
### Equities

Indices, 1 July 2007 = 100. 1 July 2007 – 22 September 2008



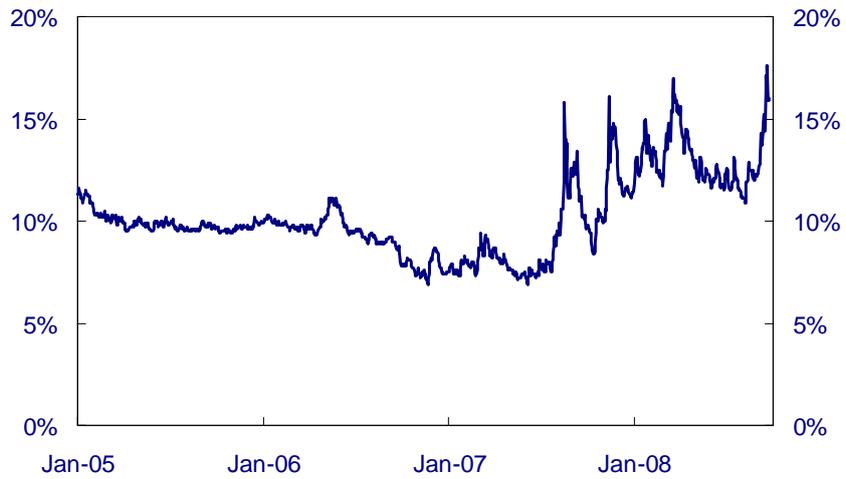
Source: Thomson Reuters

### Implied volatility from equity options 1 January 2005 – 19 September 2008



Sources: Reuters EcoWin and Oslo Stock Exchange

### Global Risk Index Expected volatility between USD, EUR and JPY in per cent<sup>1)</sup> 1 January 2005 – 22 September 2008



<sup>1)</sup> GRI is based on implied volatility derived from prices on 3-month currency options between EUR, USD and JPY (equally weighted)

Source: Bloomberg

### Implied volatility in the Norwegian exchange market

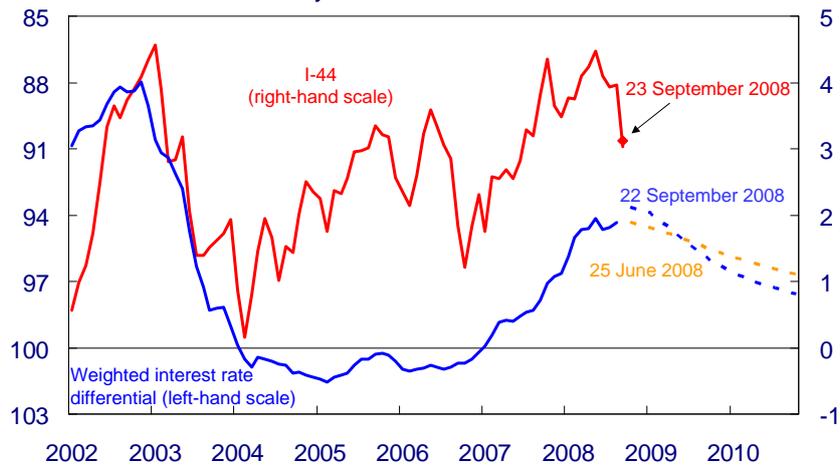
Based on 1-month currency option prices  
1 January 2005 – 22 September 2007



Source: Bloomberg

### 3-month interest rate differential and import-weighted exchange rate (I-44)<sup>1)</sup>

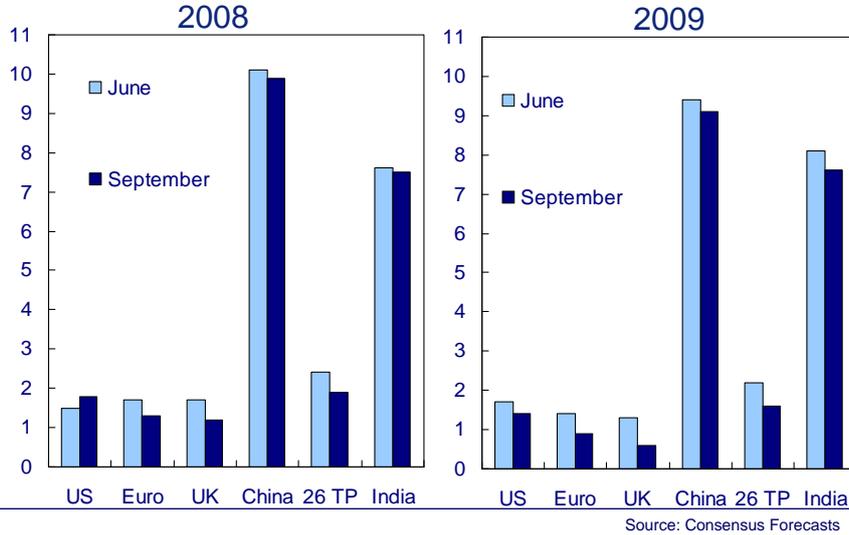
January 2002 – December 2010



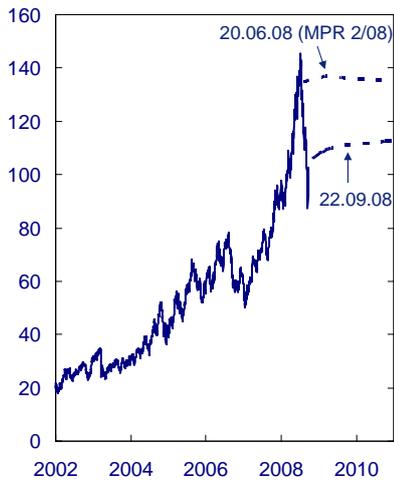
<sup>1)</sup> A rising curve denotes an appreciation of the krone.

Sources: Reuters and Norges Bank

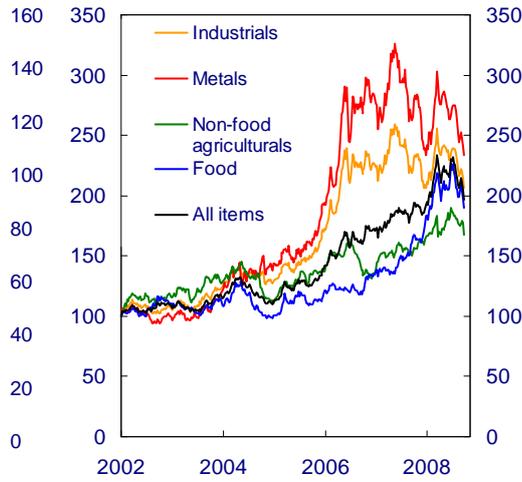
### Growth forecasts Consensus Forecasts GDP. Percentage change on previous year



### Oil price (Brent Blend) in USD per barrel Futures prices (broken lines)



### International commodity prices<sup>1)</sup> Index. Week 1 2002 = 100 Week 1 2002 – week 38 2008

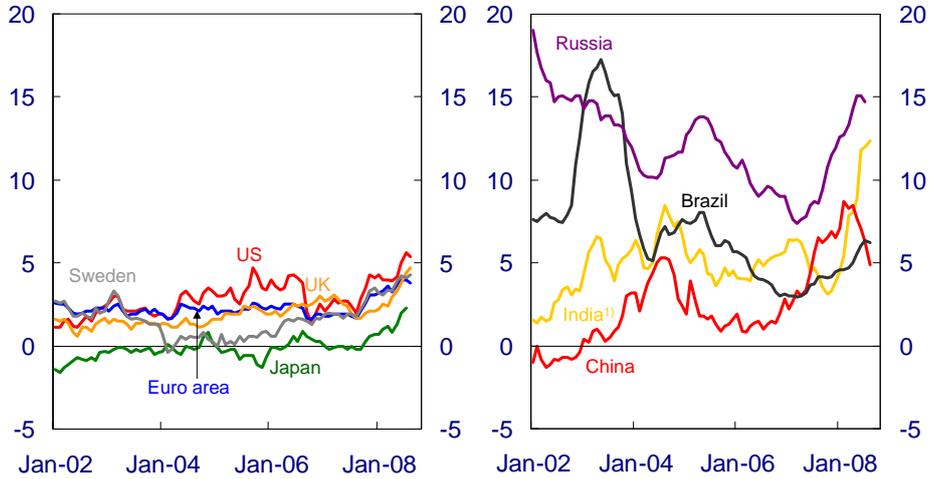


<sup>1)</sup> In XDR

Sources: Thomson Reuters and Norges Bank

### Consumer prices abroad

12-month change. Per cent. January 2002 – August 2008

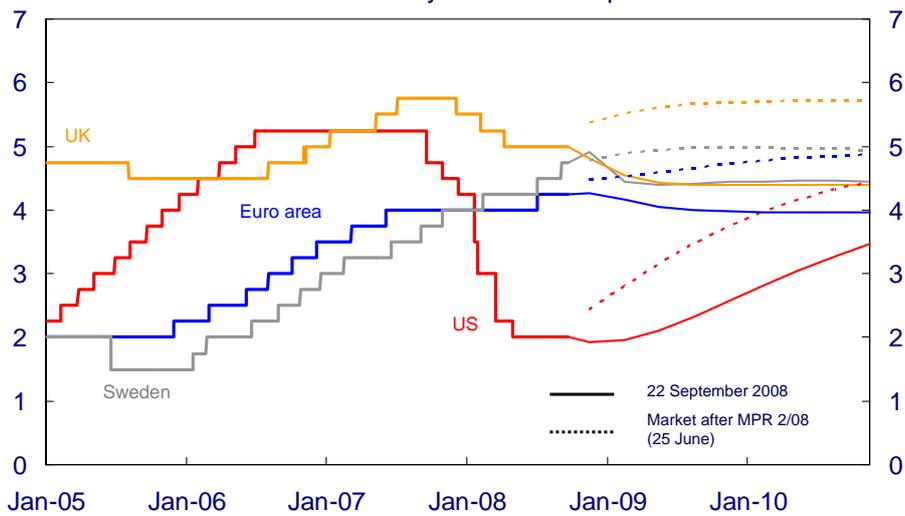


<sup>1)</sup> Wholesale prices

Source: Thomson Reuters

### Policy rates and estimated forward rates

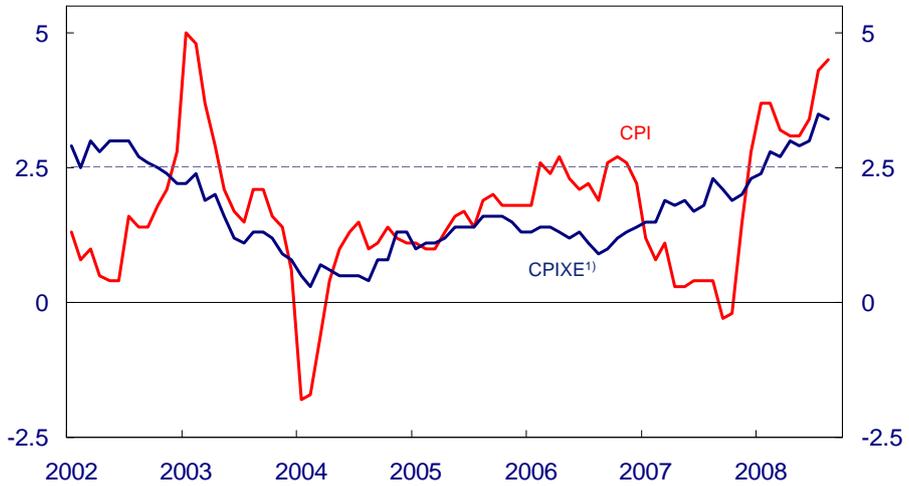
Per cent. 2 January 2005 – 22 September 2008



Sources: Thomson Reuters and Norges Bank

### Consumer prices

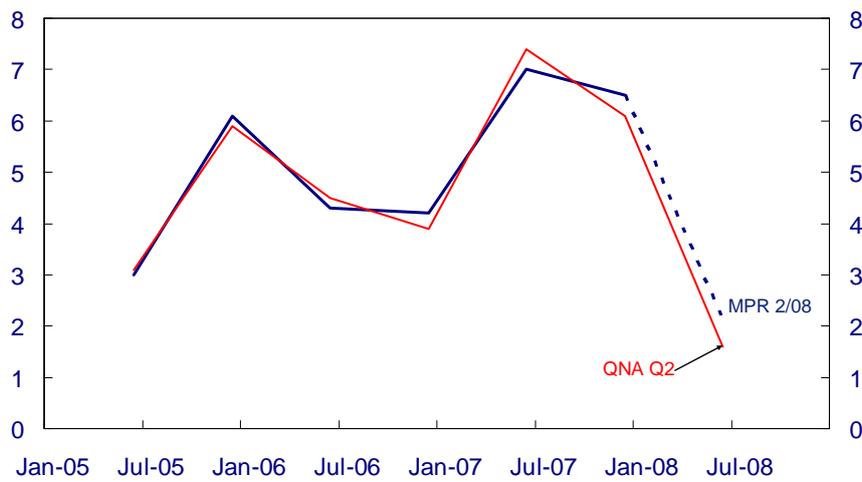
12-month change. Per cent. January 2002 – July 2008



<sup>1)</sup> CPIXE: CPI adjusted for tax changes and excluding temporary changes in energy prices  
Sources: Statistics Norway and Norges Bank

### Mainland GDP – half-year figures

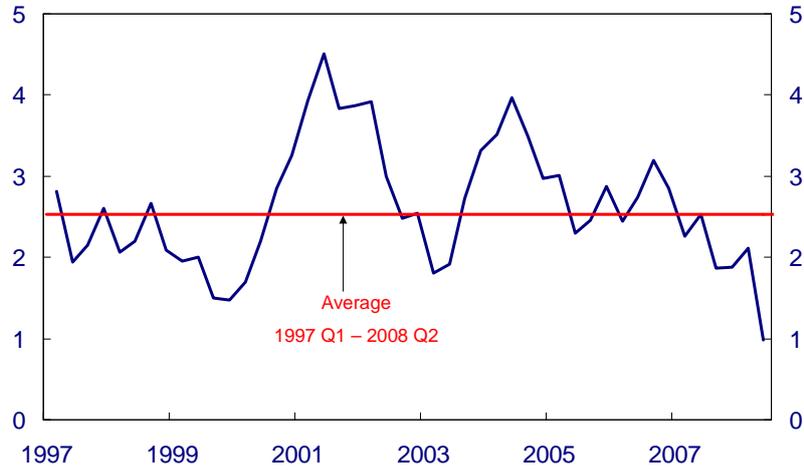
Change from previous half year. Per cent. Annual rate. 2005 Q1 – 2008 Q2



Sources: Statistics Norway and Norges Bank

### Hourly productivity, mainland Norway

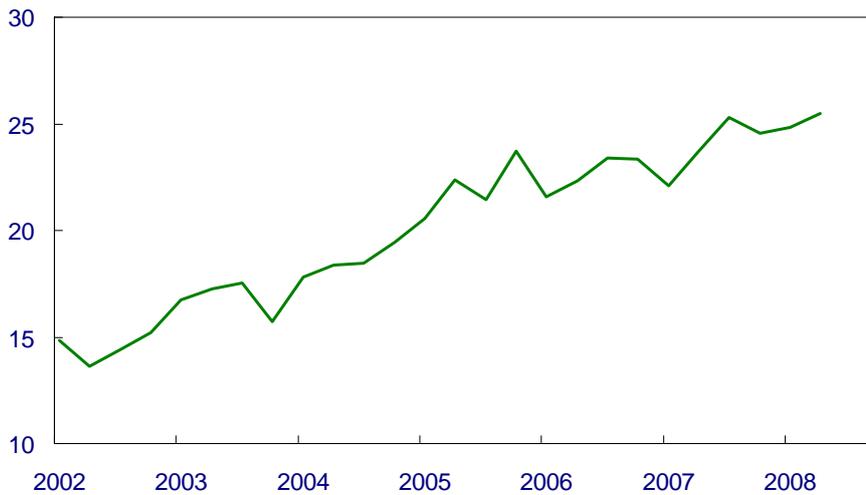
4-quarter change. 5-quarter moving average. Per cent. 1997 Q1 – 2008 Q2



Sources: Statistics Norway and Norges Bank

### Fixed investment in oil extraction and pipeline transport

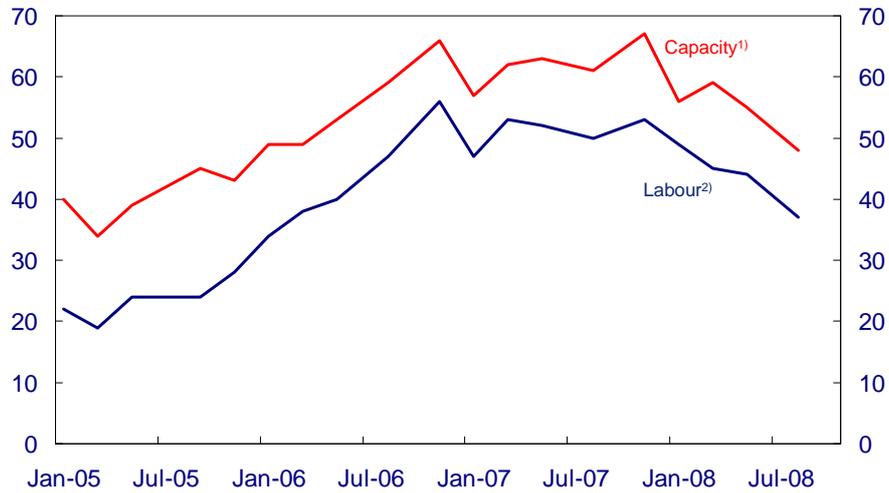
NOK billion. Seasonally adjusted figures. 2002 Q1 – 2008 Q2



Source: Statistics Norway 18

### Norges Bank's regional network: capacity constraints

Per cent. January 2005 – August 2008

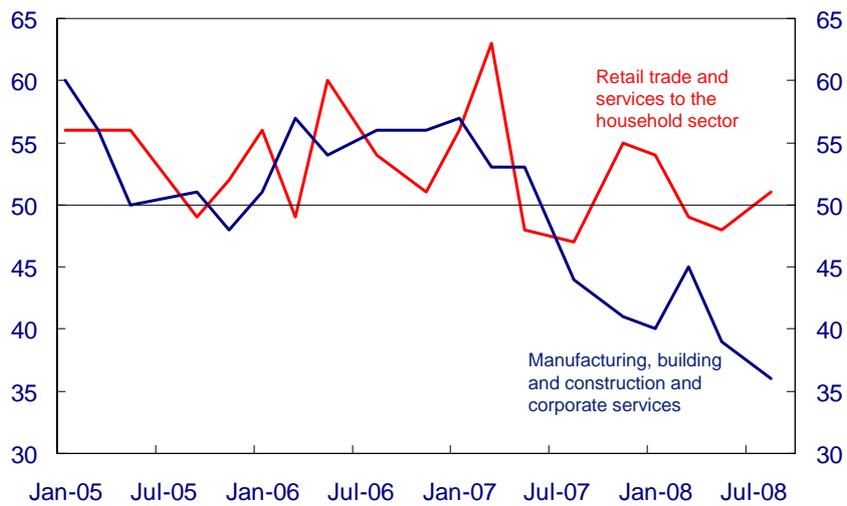


<sup>1)</sup> Share reporting that they would have some or considerable difficulty in accommodating an increase in demand.

<sup>2)</sup> Share who respond that the supply of labour will be a limiting factor for output/turnover.

Source: Norges Bank

### Expected change in selling prices over the next 12 months. Diffusion index<sup>1)</sup>

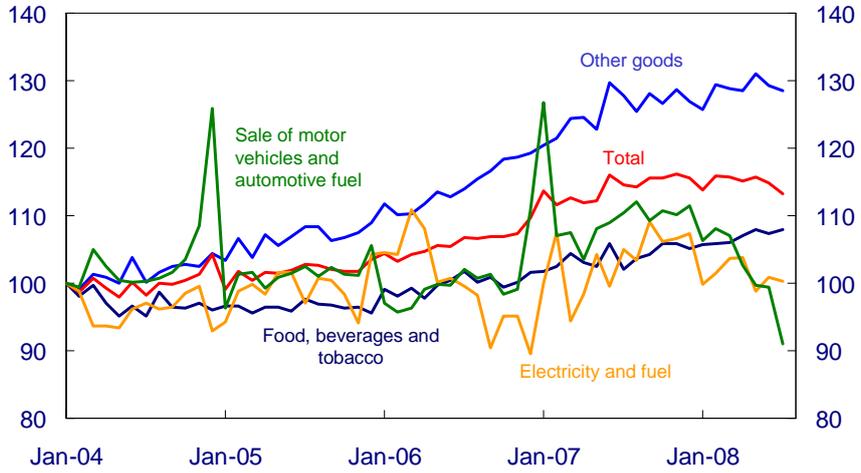


<sup>1)</sup> Share reporting higher prices + (0.5 \* share reporting unchanged prices)

Source: Norges Bank

### Retail trade components

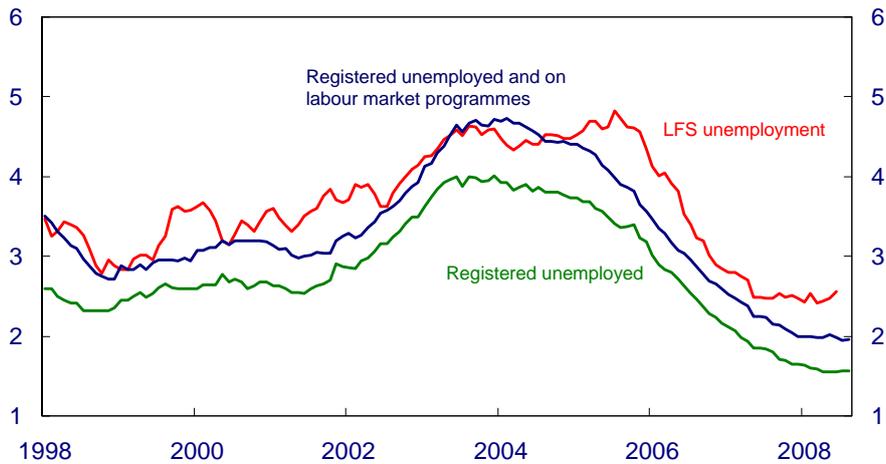
January 2004 = 100. Volume. Seasonally adjusted.  
January 2004 – July 2008



Sources: Statistics Norway and Norges Bank

### Unemployed

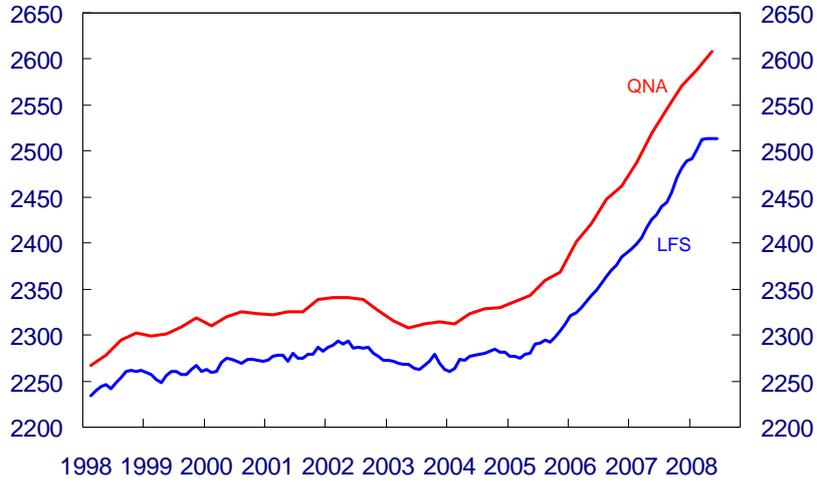
Percentage of labour force. Seasonally adjusted.  
January 1998 – August 2008



Sources: Statistics Norway, Norwegian Labour and Welfare Administration (NAV) and Norges Bank

### Employment

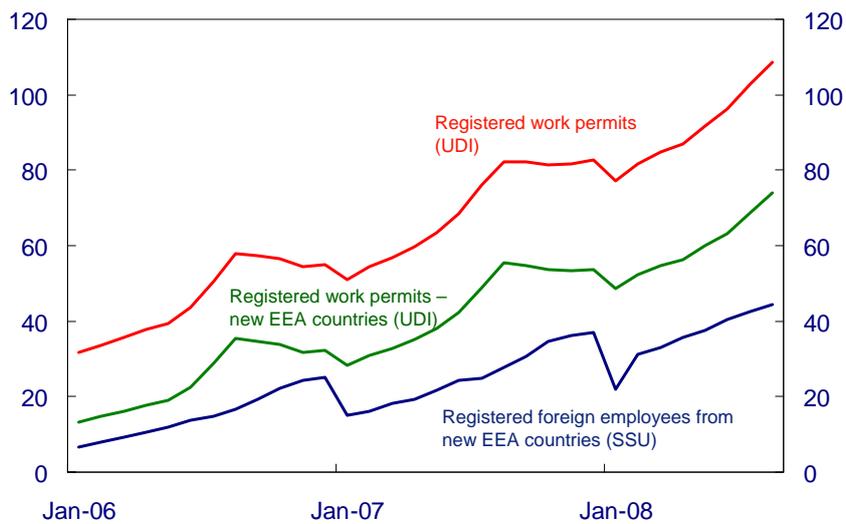
Figures from LFS and QNA. 1000 persons  
Monthly and quarterly figures. February 1998 – June 2008



Source: Statistics Norway

### Labour migration

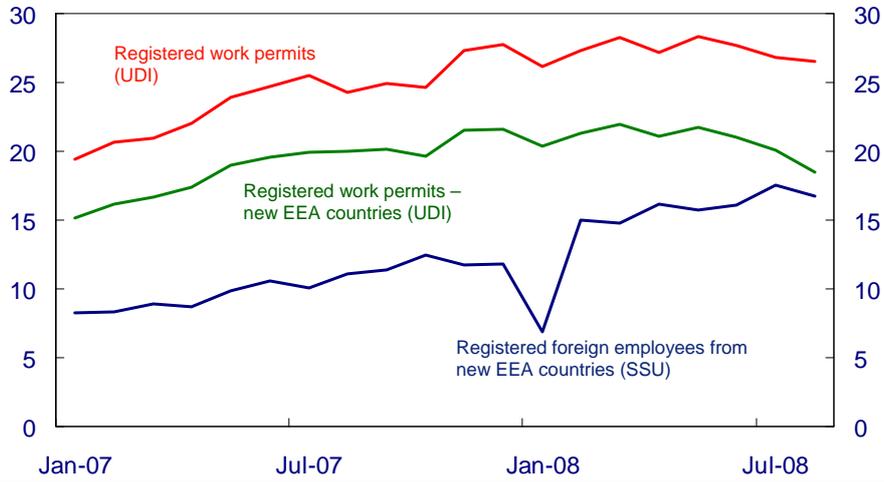
In thousands. January 2006 – August 2008



Sources: Central Office – Foreign Tax Affairs (SSU), Norwegian Directorate of Immigration (UDI) and Norges Bank

### Labour migration

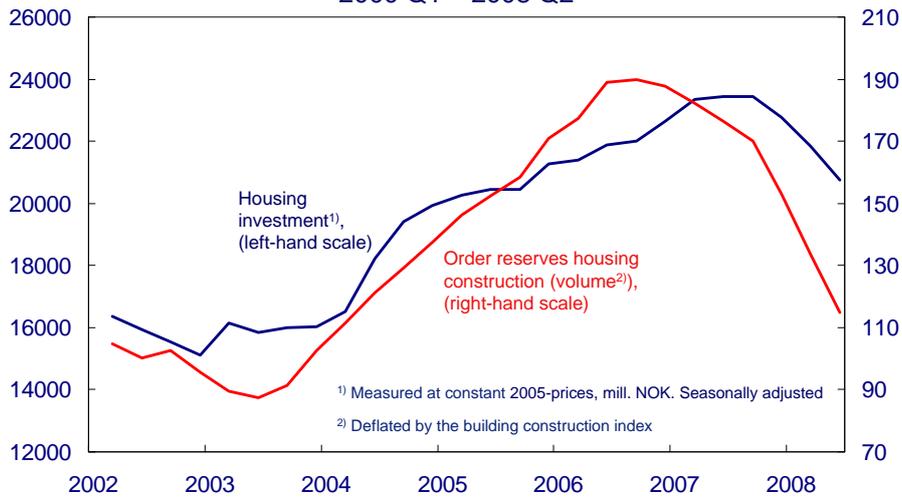
12-month change. January 2007 – August 2008



Sources: Central Office – Foreign Tax Affairs (SSU), Norwegian Directorate of Immigration (UDI) and Norges Bank

### Housing investment and order reserves housing construction

2000 Q1 – 2008 Q2



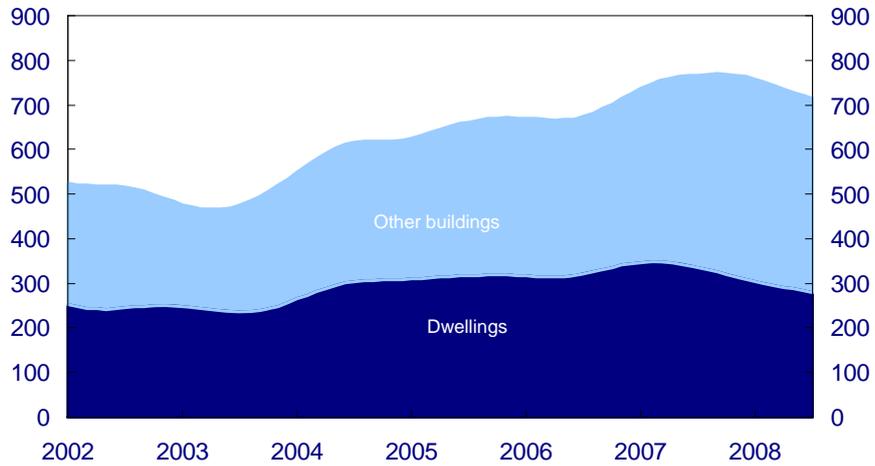
<sup>1</sup> Measured at constant 2005-prices, mill. NOK. Seasonally adjusted

<sup>2</sup> Deflated by the building construction index

Sources: Statistics Norway and Norges Bank

### Building starts

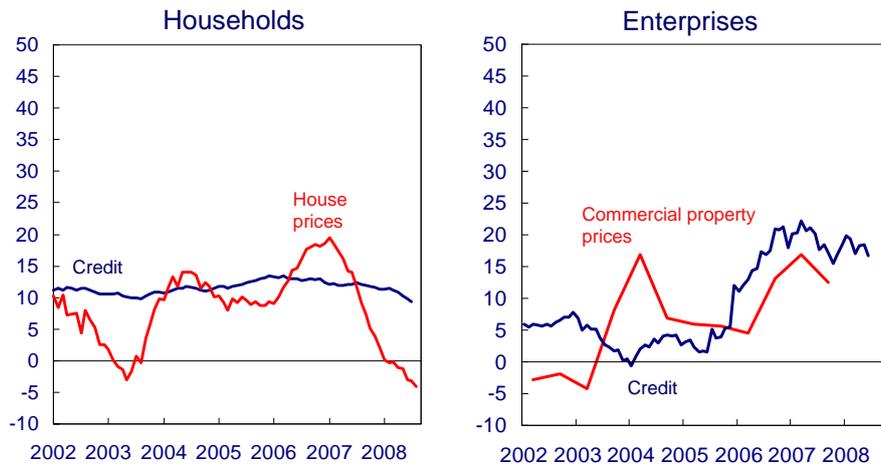
In 1000 m<sup>2</sup>. Trend. January 2002 – July 2008



Source: Statistics Norway

### Property prices and credit

Growth from same month/half-year previous year. Per cent.



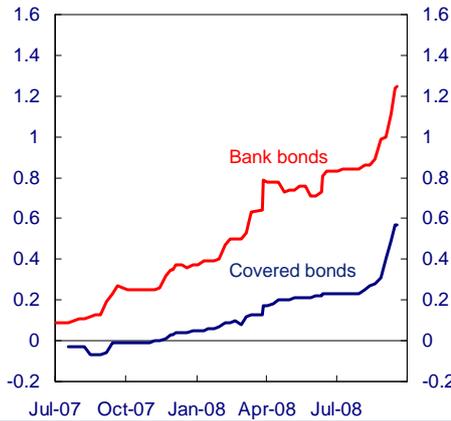
Sources: Norwegian Association of Real Estate Agents, Association of Real Estate Agency Firms, Finn.no, ECON Pöyry, Statistics Norway and Norges Bank

### More expensive financing

#### Long-term financing

Indicative credit spreads for Norwegian bonds. 5 years to maturity. Difference to swap rates. Percentage points.

Weekly figures. 2 July 2007 – 17 Sep. 2008



#### Short-term financing

Difference between money market rates and expected key policy rate in Norway. Percentage points. 5-day moving average.

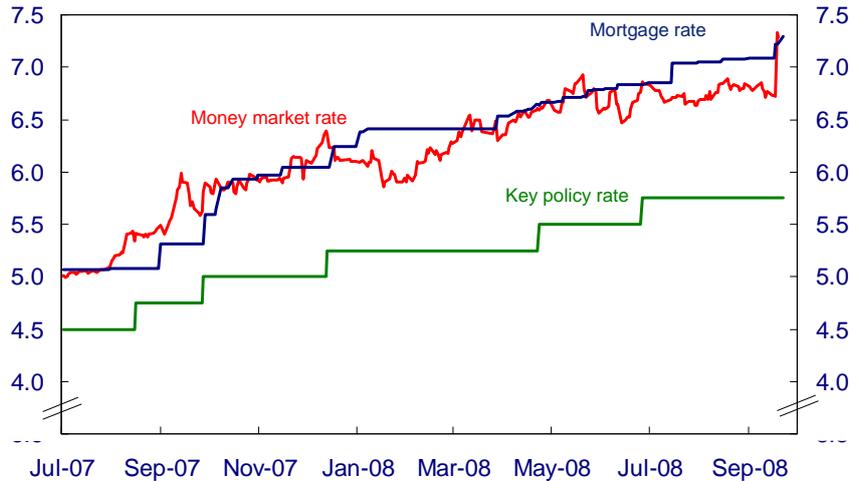
2 July 2007 – 17 Sep. 2008



Sources: Bloomberg, Thomson Reuters, DnB NOR Markets and Norges Bank

### Key policy rate, money market rate<sup>1)</sup> and banks' lending rate on new loans<sup>2)</sup>

Per cent. 1 July 2007 – 22 September 2008



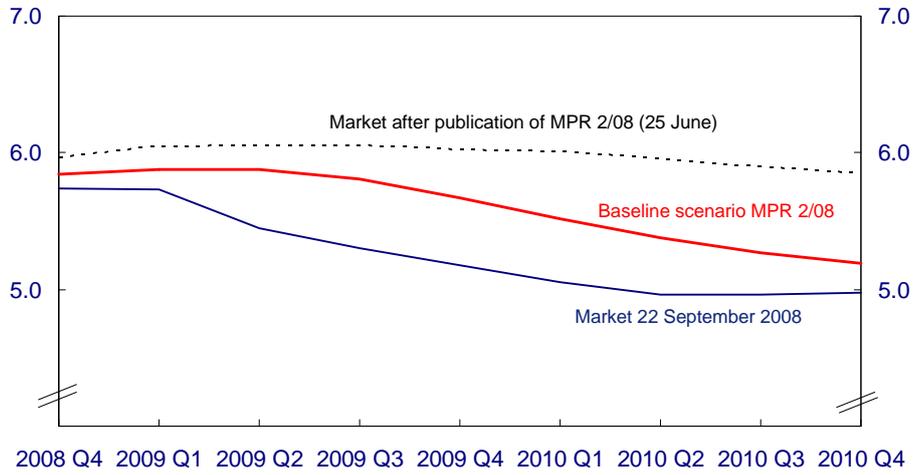
<sup>1)</sup> 3-month NIBOR.

<sup>2)</sup> Interest rates on new mortgage loans of NOK 1 million within 60% of purchase price with floating interest rate. Figures for the 20 largest banks, weighted according to market share.

Sources: Norsk familieøkonomi AS and Norges Bank

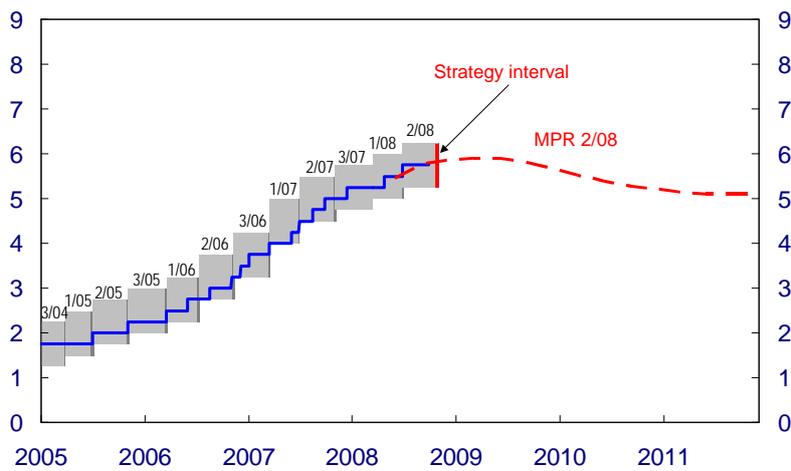
### Key policy rate in the baseline scenario and estimated forward rates

Per cent. 2008 Q4 – 2010 Q4



Sources: Thomson Reuters and Norges Bank

### Key policy rate



Source: Norges Bank 32